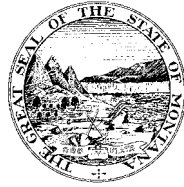Scott A. Seacat, Legislative Auditor
John W. Northey, Legal Counsel

Deputy Legislative Auditors:
Jim Pellegrini, Performance Audit
Tori Hunthausen, IS Audit & Operations
James Gillett, Financial-Compliance Audit

MEMORANDUM

TO: Legislative Audit Committee Members

FROM: Jessie Solem, Information System Auditor

DATE: January 30, 2006

RE: Follow-up IS Audit:
Evaluation of Adult Offender Computer System Acquisition Process (04DP-07)
Montana Department of Corrections

INTRODUCTION

We presented our information system (IS) audit of the Montana Department of Corrections' Adult Offender Computer Systems (04DP-07) to the Legislative Audit Committee in November 2004. The report contains two recommendations, which contain three specific parts. The recommendations relate to:

- The development of a structured decision-making and project management framework;
- The development of a methodology to address data quality problems; and,
- Ensuring the data quality problems are identified, corrected, and solved prior to implementing a new system.

We requested and received information from the Montana Department of Corrections (MDOC) personnel regarding progress toward implementation of our report recommendations. This memorandum summarizes information on the implementation status of each audit recommendation.

BACKGROUND

MDOC uses a records management system to collect adult offender data to assist in the location and tracking of adult offenders. The information is reproduced in reports for requesting individuals and groups. The original offender management system used by MDOC was developed in-house, in the late 1970s; the system was called ACIS (Adult Correctional Information System). A 1997 legislative audit (97DP-07) revealed many data accuracy issues attributed to ACIS design and lack of data input controls to mitigate data entry errors. Subsequent to the audit, MDOC began an initiative to improve data quality, which included the decision to develop a replacement system, ProFiles (Programmed Reporting of Offender's Files). ProFiles implementation was never completed. A hybrid system currently exists (Pro-ACIS) utilizing ACIS and ProFiles functionality, and further ProFiles development has halted. MDOC decided to purchase a new system and requested funding, but as a result of the audit, withdrew its budget request to further assess their needs. To date, a new system has not been procured and department personnel are working towards implementation of the recommendations.

Follow-up Discussion

The following sections summarize the report recommendations, and the department's progress towards implementing the recommendations.

> Recommendation #1
> We recommend the Department of Corrections develop and follow a structured decision-making and project management framework.

System Acquisition Process
During the audit we determined the department had made a selection regarding a replacement system. We requested documentation of the decision-making process to determine if a structured process had been followed to acquire and implement a new system. MDOC was unable to demonstrate a structured approach to the acquisition of a new offender management system had been followed to support that necessary considerations had been taken prior to the vendor selection. MDOC could not support critical decisions including:
- A needs analysis supporting the need for a new offender management system;
- The functional requirements or business needs to be met by the new offender management system; and
- Project approval.

MDOC requested $1.9 million to implement a new system; however, subsequent to the audit, management withdrew its budget request to re-analyze and document their needs.

Recommendation Status: **In Progress**

The department formed an Information Technology Guidance Council (ITGC) to provide structure to the decision making process. The ITGC was tasked with appointing a subcommittee to determine the next steps in acquiring a replacement offender management system. However, due to department reorganization and personnel summer schedules a follow-up ITGC meeting was not scheduled and progress has not been made towards acquiring a replacement offender management system.

Due to the slow start and difficulties moving forward with ITGC, the Information Technology Bureau (ITB) began researching alternate governance structures and is still exploring a framework.

The department adopted the draft project management templates developed by the Department of Administration, Information Technology Services Division. ITB staff members also attended a conference to research methodologies and practices for software development and have received training and certifications in two other frameworks. ITB plans to perform a pilot project to determine the potential benefit of adopting software development methodologies.

> Recommendation #2
> We recommend MDOC:
>   A. Develop a methodology to address the data quality problems, and
>   B. Ensure the data inaccuracies are identified and corrected prior to implementing the new system.

Data Quality

The 1997 legislative audit (97DP-07) included a recommendation to "ensure accuracy and completeness of information in the ACIS system." During the 2004 legislative audit, MDOC estimated that 10-15 percent of the data was still inaccurate. During the seven years between audits, MDOC had not been able to effectively resolve existing data accuracy problems. Before a new system is implemented, the data problems must be resolved. In August 2004, the department took a direction in their data quality efforts by drafting a conceptual overview of a data quality plan; however, it was too early in MDOC efforts to determine whether they were effective in resolving the existing data quality problems. Additionally, it was not apparent that the extent of the data quality problems has been determined or documented, and progress could not be measured.

Recommendation Status:
A.   **Implemented**

During our 2004 audit, MDOC was in the process of developing a conceptual overview of a data quality plan; however, at the time we did not review the plan for content or confirm as an effective control due to its nondescript and incomplete nature. Subsequent to the audit, we received a management approved copy of the data quality plan. The data quality plan provides a three-phased approach to address the data quality problems. Through the development and approval of the data quality plan, MDOC has created a methodology to address data quality problems. We will continue to monitor MDOC progress to acquire a new offender management system and upon system implementation, we will perform work to confirm the department applied their methodology to address the quality of data within the new system.

B.   **Partially Implemented**.

MDOC represents that a majority of the Pro-ACIS data to be migrated to a new system has been corrected. Data inaccuracies may still exist in historical records of non-active offenders, although management is confident a majority of the data errors with regards to active offenders has been corrected. We did not perform data quality testing to validate MDOC's representation of the quality of data. As stated above, upon acquisition and implementation of a new offender management system, we will perform testing to assess data quality within the new system.